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DEPT FOR AF/C AND AF/EPS  
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USAID FOR AFR/EA, PPC, AND AFR/SD  
DEPT PASS TO OPIC FOR BRUCE CAMERON

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E.O. 12958: N/A  
TAGS: [EFIN](#) [ETRD](#) [EAID](#) [ECON](#) [PREL](#) [MCAP](#) [RW](#)  
SUBJECT: OPIC TO ADDRESS AFFORDABLE HOUSING IN KIGALI

¶1. SUMMARY. The City of Kigali, in conjunction with the U.S. Embassy, hosted an affordable housing workshop with subsequent side meetings to explore affordable housing issues in Kigali. With the goals of assisting the City of Kigali to address their housing challenges and to find opportunities for OPIC involvement in Rwanda, the meetings produced several potential deals for OPIC and mapped out a housing strategy for the City of Kigali. END SUMMARY.

¶2. Affordable housing is a major concern for the city of Kigali. The Mayor, Ms. Aisa Karibo Kakira, reported that 70% of settlements in Kigali are unplanned, and that half of the city's residents live in substandard housing. As Kigali develops, and hotels, office building, and industrial complexes are built, affordable housing will continue to impede a planned growth for the city. Lack of adequate and affordable housing has the potential to create serious socio-economic and environmental crises.

¶3. OPIC has been eager to build on its 1972 successful deal with SOWARTHE, an American-owned tea factory in Rwanda. As there are not many American investors in Rwanda, it has been challenging to find suitable opportunities. The following provides an overview of the projects that have been identified and nominally reviewed by OPIC.

DN International is an American-Kenyan owned construction firm that has worked extensively in Rwanda, Kenya, and the Democratic Republic of Congo (DRC). The company is currently developing a housing project for 1,000 units and it is looking for both technical and financial assistance. Mr. Nathan Lloyd, the CEO, will travel to Washington to submit the loan package directly to OPIC.

Steve Clark of Weekly Homes explained that his company is eager to lend expertise to private developers or the City of Kigali, but is hesitant to lead any construction project. The CEO of Weekly Homes, David Weekly, is particularly interested in helping Rwanda on a private basis, as opposed to through his company, based on a relationship he personally developed with President Kagame.

AEON Corporation signed an MOU with the governor of the Eastern Province to build 600 homes in the region. The Oklahoma-based company is keen on expanding its footprint in Rwanda and is looking for development sites in Kigali.

Banque Commercial du Rwanda (BCR), one of the largest local banks, plans to unveil a mortgage product in July 2007. Lack of access to long term mortgages creates a barrier for many individuals to purchase homes. BCR is interested in OPIC financing, and is currently exploring avenues to partner with American investors to qualify for OPIC funding.

Goodworks International (GI), an advocacy and public relations firm run by former U.S. Ambassador to the United Nations, Andrew Young,

participated in the meetings and was eager to strike deals with both the American investors and the GOR. GI representatives reported to have made direct investments in countries before, but they appeared to be more focused on providing consulting assistance to the respective parties in Rwanda.

The city of Kigali has embarked upon a low and medium cost housing project in the Batsinda district of Kigali. The national social security fund, Caisse Sociale, has bought the land plot and the military engineer regiment is doing the construction. The city would like to find a private developer to take over the project, but has not been successful thus far.

¶4. In addition to a lack of established building codes and land titling, which are currently being developed, the lack of mortgages presents a huge challenge to the development of this sector. The Mayor of Kigali endorsed the suggestion to create a type of Housing Board Authority, made up of both public and private stakeholders to address these issues.

¶5. COMMENT: While genuine interest exists from all sides - the Rwandan Government, American investors, and OPIC, only the potential deal with DN International appears to be headed for a formal review by OPIC in the near term.

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